

CITY OF MONROE
Snohomish County, Washington
January 1, 1993 Through December 31, 1993

Schedule Of Findings

1. The Water/Sewer Utility Should Bill All Customers For Services Provided

During our review of city utility billings, we found that water and sewer service was provided at no cost to several city departments and Snohomish County Fire District No. 3. These city departments are general government activities, and the fire district is a separate municipal government. Approximately \$25,000 in water and sewer service was provided to these customers and never billed.

RCW 43.09.210 states in part:

All service rendered by, or property transferred from, one department, public improvement, undertaking, institution, or public service industry to another, shall be paid for at its true and full value by the department, public improvement, undertaking, institution or public service industry receiving the same, and no department, public improvement, undertaking, institution, or public service utility shall benefit in any financial manner by an appropriation or fund made for the support of another.

Revenue Bond Ordinance No. 1017 allows no free service to be provided by the city's water and sewer utility. Section 10.E of this ordinance states in part:

No Free Service: Except to aid the poor or infirm, it will not furnish water or sanitary sewage disposal service to any customer whatsoever free of charge

City officials did not consider it necessary to charge for water and sewer service provided to these customers. The services were metered and consumption recorded; however, no dollar amount was billed.

When the utility does not bill city departments or the fire district for service provided, utility rate payers are forced to subsidize both general government and county fire district operations.

We recommend the city's water and sewer utility begin billing all departments and other governments for the amount of water and sewer service they use. Payments should be applied to the Water/Sewer Utility Fund.